(c) Refinancing of receivables through issue of bonds and/or term loan.

(II) Optimization of rail movement costs by using Linear Programming to generate least cost linkages for movement of food grain rakes between the source and destination stations.

(III) Consolidation of handling and transport contracts to reap the benefit of economies of scale.

(IV) Renting out/De-hiring of excess shortage capacity.

(V) Reduction of gunny costs by using once used gunny for procurement of paddy and by making purchase through open tender.

(VI) Reduction of procurement cost by Direct Procurement.

(VII) Reduction in Arthiya Commission, Purchase tax and other statutary charge.

(VIII) Reduction of Establishment cost by rationalised deployment of manpower & outsourcing of non-critical activities such as security, housekeeping etc.

(IX) Improving efficiency by implementing a management Information System that tracks key performance indicators and provides accurate operational data necessary for effective decision making.

(X) Reduction of Labour cost by Increasing handling norms, Redistribution labour across depots for better match of handling load and labour availability, identifying surplus labour and developing targeted VRS & preventing departmentalization of DPS and Contract Labour.

(XI) Advance payment to state agencies against Central pool procurement to reduce interest cost.

Rise in wheat prices

1222. SHRI A. VIJAYARAGHAVAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether wheat prices in southern States especially Kerala and Karnataka have risen heavily during the last three months;

(b) if so, the reasons therefore and the steps taken to control it;

(c) whether wheat stock dropped below buffer norms during that period;

(d) if so, the reasons therefore and the quality of wheat stock during the last four years, year-wise;

(e) the step taken so that the wheat buffer stock will not become negative in future; and

(f) the steps taken to procure more wheat as on today?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN): (a) and (b) Retail prices of wheat in the Southern States have indicated an increase in the range of 50 paise to Rs. 3.00 per kg during the last three months. The increase can be attributed to a variety of reasons such as relatively lower level of stocks in the Central pool, comparatively less procurement of wheat in Rabi Marketing Season (RMS) 2005-06 and seasonal factors. The steps taken to check the increase in prices include (i) increased allocation of wheat under the Open Market Sale Scheme; (ii) freeze on the Central Issue Prices under the Targeted Public Distribution System (TPDS) in order to encourage more off-take; (iii) decision to import wheat for augmenting the availability in the Southern Zone; (iv) ensuring adequate availability of wheat stocks for the TPDS and Welfare Schemes in all the States of the country; and (v) daily Monitoring of retail and wholesale prices of wheat.

(c) The wheat stocks as on 1.1.2006 were 61.88 lakh tones which were 20.12 lakh tones below the buffer norm of 82 lakh tones fixed for 1st January.

(d) The decline of wheat stocks in the Central pool has been, *inter-alia* due to increased off-take of foodgrains under the TPDS and other welfare schemes and lower procurement of wheat in comparison to the off-take. The quality of wheat stocks as on 1.1.2006 and in the previous 3 years are as under:

(Qty in lakh tones)

As on	Actual Stock	Minimum Buffer Norms
1.1.06	61.88	82.00
1.1.05	89.31	84.00
1.1.04	126.87	84.00
1.1.03	288.30	84.00

(e) The following steps have been taken to improve the stock position of wheat:—

(i) Increased procurement of wheat: Against 148 lakh tones in Rabi Marketing Season 2005-06, it is proposed to procure 162 lakh tones in the Rabi Marketing Season 2006-07.

(ii) The ratio of wheat and rice in the allocation of foodgrains to Below Poverty Line (BPL) and Above Poverty Line (APL) families under TPDS has been rationalized and additional rice allocated keeping in view the food habits of States/UTs.

(iii) State Governments are being encouraged to procure more coarsegrains and also distribute the same under the TPDS.

(iv) Import of 5 lakh tones of what.

(v) Reduced allocation under Sampoorna Grameen Rozgar Yojana (SGRY) and National Food For Work (NFFW) programmes as well as under the National Rural Employment Guarantee Scheme (NREGS) programme for 2006-07.

(vi) Proposal to reduce the scale of issue for APL, BPL and Antyodaya Anna Yojana (AAY) households.

(f) The steps taken to procure more wheat as on today include planning the opening of more number of procurement centers for wheat in major States, sorting out the problems of the State agencies such as grant of advance subsidy, recommendation of adequate Cash Credit Limit for State agencies, planning for opening of procurement centres by Food Corporation of India (FCI) even in State undertaking decentralized procurement.

Diversion of cereals meant for PDS

1223. SHRI JANARDHANA POOJARY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that cereals meant for PDS are openly being sold in the open market and the poor people are deprived of this facility;

(b) if so, the details thereof; and

(c) the measures taken to control this malpractice?